

**Washington Utilities and Transportation Commission
Tariff 15-A – Household Goods**

Section 1 – General Application

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Correction No. 12

**ITEM 90 -- CARRIER LIABILITY FOR HOUSEHOLD GOODS
AND CUSTOMER VALUATION OPTIONS**

1. Household goods carriers must assume liability for the value of the goods they transport. The amount of liability a carrier must assume depends on the level of valuation protection selected by the customer. The customer makes this selection by initialing the appropriate line on the bill of lading issued by the carrier. (See Item 95 for rules relating to bills of lading.)
2. The carrier's liability responsibility for loss and damage is to the customer regardless of any cargo insurance policies it may have.
3. The customer-declared value determines what the carrier's legal liability will be in case of loss or damage. In lieu of declared value, the value of a household goods shipment will be based on the weight or constructive weight of the shipment. Before providing service, carriers must require customers to state in writing on the bill of lading either the declared value of the shipment in cents per pound or a lump sum value for the entire shipment.
4. For the purposes of valuation, the phrases "weight" and "constructive weight" are used interchangeably.
 - For distance moves the "weight" of the shipment is determined by recording the actual weight.
 - For hourly rated moves the "weight" of the shipment is determined by recording the constructive weight. "Constructive weight" is calculated by multiplying 7 pounds times each cubic foot of space used in the moving vehicle.
5. There are four valuation options from which the customer may choose to determine the liability the carrier must assume for loss and/or damage. Each option has a different cost to the customer and represents a different level of carrier responsibility.

The customer has the following valuation protection options, and must, on the face of the bill of lading contract select one of the options. The carrier must not load the customer's goods until such time as the customer selects an option and makes the appropriate notation on the bill of lading contract:

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- (a) **OPTION 1 -- Basic Value Protection** - This is the most economical protection option available and is the minimum level of responsibility a carrier may assume for a household goods shipment.

Coverage provided under basic value protection option: This option provides coverage at \$.60 per pound, per article, in case of loss or damage up to a maximum carrier liability of \$.60 times the weight of the shipment.

The cost to the customer for basic value protection is: There is no additional cost to the customer for this level of coverage.

- (b) **OPTION 2 -- Depreciated Value Protection** - This option provides full value coverage, less depreciation, up to a maximum carrier liability of \$2.00 times the weight of the total shipment. If the customer fails to select a level of valuation protection on the bill of lading, depreciated value protection will be the **default** level in the case of a loss or damage claim

Coverage provided under depreciated value protection option: In the case of loss or damage the carrier will either repair to the customer's satisfaction or reimburse the customer for replacement value less depreciation for the lost or damaged article.

The cost to the customer for depreciated value protection is:

Rate applying per \$100 of weight value (\$2.00 times the weight of the shipment)	
Minimum	Maximum
▲\$.50	▲\$.84

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Value for this option must be stated in \$100 increments.

Carriers must use an industry-recognized depreciation schedule, and have a copy of that schedule available for inspection by customers or Commission personnel.

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- (c) **OPTION 3 -- Replacement Cost Coverage, with Deductible** - This option provides full value coverage less a \$300 deductible for the customer and a maximum carrier liability up to the declared value or \$3.50 times the weight of the shipment, whichever is greater.

Coverage provided under replacement cost coverage, with deductible, option: In the case of loss or damage the carrier will either repair to the customer's satisfaction, reimburse, or replace the lost or damaged article for any amount above the \$300 deductible. The \$300 deductible applies to the entire shipment rather than each individual article. For example, if the value of 3 lost articles equals a replacement cost of \$500, the carrier would be liable for \$200 (\$500 less \$300 deductible).

The cost to the customer for replacement cost coverage, with deductible protection is:

Rate applying per \$100 of weight value \$3.50 times the weight of the shipment or declared value, whichever is greater	
Minimum	Maximum
\$0.39	\$0.72

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Value for this option must be stated in \$100 increments.

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- (d) **OPTION 4 -- Replacement Cost Coverage, with no deductible** - This option provides full value replacement coverage for the customer and a maximum carrier liability up to the declared value or \$3.50 times the weight of the shipment, whichever is greater.

Coverage provided under replacement cost coverage, with no deductible, option: In the case of loss or damage the carrier will either repair to the customer's satisfaction, reimburse, or replace the lost or damaged article.

The cost to the customer for replacement cost coverage, with no deductible, protection is:

Rate applying per \$100 of weight value \$3.50 times the weight of the shipment or declared value, whichever is greater	
Minimum	Maximum
▲\$0.61	▲\$1.02

Value for this option must be stated in \$100 increments.

6. Option 3 (Replacement Cost Coverage, with Deductible) and Option 4 (Replacement Cost Coverage, with no Deductible) do not apply to:
- Antiques, fine arts, paintings, statuary, and similar articles, which by their inherent nature cannot be replaced with new articles; or
 - Articles whose age or history contribute substantially to their value. This includes, but is not limited to: memorabilia, souvenirs, and collector's items.
- (a) The basis for valuations for these articles will revert to depreciated or fair market value.
- (b) Any items listed in paragraph 6 must be identified separately on an inventory which must be included with the bill of lading.

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7. Under all four options:
- (a) If the carrier decides to reimburse for or replace a lost or damaged article, the lost or damaged article becomes the property of the carrier.
 - (b) In the event of a loss or damage to one of a matched pair or set or items, the carrier's maximum liability will be limited to the damage or loss of only the individual item, subject to declared value limitations.
9. The Valuation Options Chart (see page 27/28) compares and contrasts the four different levels of valuation protection. Carriers are encouraged to use this chart or develop their own for use when discussing valuation options with customers.
10. Following are the fees for valuation of goods while in SIT. The fees are to be charged for each 30 days or portion of 30 days household goods remain in storage. The fees are based on a percentage of the amount paid for transportation valuation.

Valuation Option Selected	For each 30 days or fraction of 30 days, Percentage of transportation valuation allowed:	
	Minimum	Maximum
Option 1 - Basic Value Protection	—	—
Option 2 - Depreciated Value Protection	▲7.2%	▲12.0%
Option 3 - Replacement cost, with deductible	▲7.2%	▲12.0%
Option 4 - Replacement cost, no deductible	▲7.2%	▲12.0%

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